



Cumbria
**Local Enterprise
Partnership**

unleashing potential through partnership

Minutes of a Meeting of the Cumbria Local Enterprise Partnership held on Friday, 19 January 2018 at Redhills, Penrith at 9.00 am

Board Members Present:

George Beveridge (Chair), Jackie Arnold (Vice-Chair), Giles Archibald, John Coughlan, Colin Glover, Jim Jackson, Rob Johnston, Mike McKinley, Julie Mennell, Alan Smith, Nigel Wilkinson and Stewart Young (Vice-Chair)

In Attendance:

Mr G Haywood - LEP Director
Mrs J Currie - Cumbria County Council
Mrs A Hatcher - Cumbria County Council

48 CHAIR

RESOLVED that, Mr G Beveridge continue as Chair of the Board until such time as a new Chair is appointed.

During discussion of this item it was proposed that until such time as a new Chair was appointed the LEP Board should move to monthly meetings. This was **AGREED**.

49 APOLOGIES FOR ABSENCE

There were no apologies for absence on this occasion.

50 DECLARATIONS OF INTEREST

Mr N Wilkinson declared a non pecuniary interest in Agenda Item No 6 – Presentation from the Environment Agency, as in the past his business had been impacted by flooding.

Mr R Johnston declared a pecuniary interest in Agenda Item No 7 – Future Business Support Model, as the Chamber of Commerce were likely to bid for this contract.

51 MINUTES OF PREVIOUS MEETING

RESOLVED that, the minutes of the previous meeting held on 17 November 2017 be agreed with the following amendment:-

Page 10 - Minute No 38 (a) Investment Panel Update – add an additional paragraph to reflect that money would not be reallocated from Lillyhall until the business case for additional redevelopment projects at Lillyhall had been reconsidered. Minute No 53 refers.

Page 12 – Minute No 38 (b) Mark House Growth Deal Application – Mr G Archibald to email the wording for this amendment at it was his personal view.

Page 13 Minute No 40 – Northern Cultural Regeneration Fund – replace the words Brewery Arts Centre with Abbot's House.

Page 5 - Minute No 32 – Declaration of Interest – add declaration from Mr A Smith to read 'Mr A Smith declared a non pecuniary interest in Agenda Item No 8 (b) Mark House Growth Deal as Allerdale Borough Council was one of the owners of BEC, who were the applicants' .

This amendment also to be added into Minute No 38 (b).

52 UPDATE FROM THE CHAIR & VICE CHAIRS

The Chair gave the Board an update on the Transport for the North Plan which had been launched recently for consultation. Cumbria featured in two of the corridors in this consultation. The Chair asked the Board to encourage people to respond to the consultation. Jim Jackson said if any members needed any further clarity to contact him.

The Board were concerned that the Cumbrian MP's may now be speaking collectively on this. The Chair advised that Jim Jackson had meetings scheduled with all of the MPs to discuss this further.

The Chief Executive of the Chamber of Commerce would share this with business colleagues.

The Private Sector Vice Chair advised the Board that she had attended a Northern Powerhouse Strategic Investment Fund meeting recently. The performance of NPIF in Cumbria was poor but this was largely due to the excluded sectors. There was a need to work closely with partners in Cumbria to understand the barriers.

The Public Sector Vice Chair advised the Board that the DfT had launched a consultation on proposals to create a Major Road Network (MRN). The County Council would be responding robustly to this consultation and the response would be shared with LEP partners.

53 MATTERS ARISING NOT COVERED ELSEWHERE ON THE AGENDA

Brexit – The Leader of South Lakeland District Council advised that concerns had been raised at the Cumbria Leadership Board (CLB) recently that MP's and Government still do not seem to have a view on the consequences and opportunities of a 'hard Brexit'. The Technical Officers Group had been asked to produce a report on this for the CLB to consider. This was noted.

LEP Review - the Vice Chancellor of the University of Cumbria was aware that the LEP Review was being discussed during a private Board briefing following this meeting. However, she had concerns about the governance of this as there would be no audit trail for the Board receiving this. She felt that there needed to be some recognition in the minutes of this meeting that the report had been received by the Board. It was therefore noted that the report was received and would be discussed in more detail in the private meeting prior to formal consideration of the S4W report at the next Board meeting.

Minute No 38 (b) Investment Panel Update – Lillyhall – the Leader of Allerdale Borough Council was unhappy with the outcome of the Lillyhall Project. He understood that the money was already earmarked for Lillyhall and although the funding would not be used for the James Walker scheme it would be reallocated for other schemes in Lillyhall.

The LEP Director explained how the funding for individual projects worked and reiterated that any additional schemes for Lillyhall would be subject to the production of a full business case which would be considered by the Investment Panel.

However, it was **AGREED** that money would not be reallocated from Lillyhall until the business case for additional redevelopment projects at Lillyhall had been reconsidered. Minute No 51 refers.

54 PRESENTATION - ENVIRONMENT AGENCY

Mr N Wilkinson declared a non pecuniary interest in this item as in the past his business had been impacted by flooding.

The Board received a presentation from Mr K Ashcroft, Area Manager and Mr A Brown, Flood Risk Manager on future investment in flood protection in Cumbria.

The presentation covered the following:-

- What's been happening?

EA's role in Flood Defence
Jigsaw of powers and responsibility

- Progress Update

Kendal Strategic Transport Infrastructure/Northern Relief Road
Infrastructure Recovery Plan – Cumbria County Council
Kendal Masterplan

- Future Plans

- Kendal X – cycle access routes
 - South Ulverston
 - Carlisle Southern Link Road
 - Carlisle City Local Plan

- Timescales for delivery
- Drop ins for future flood risk management in Cumbria

Board members asked if any consideration was given to the social impact of flooding, especially in relation to the mental health of those that had been flooded on more than one occasion. The Flood Risk Manager said business cases had an element of this included but it was not a strong one.

The Flood Risk Manager said that economic factors, which at one time were not considered for flood protection schemes, were becoming more crucial. The effects of flooding on major businesses was causing major concerns across the county, especially on the iconic businesses in the South Lakeland area.

One of the Board members asked that his thanks be recorded to both Craig Cowperthwaite at the Environment Agency and Doug Coyle at the County Council.

In response to questions from the floor the Flood Risk Manager updated the Board on some of the natural flood management projects in Cumbria.

Board members wondered if the profile of Cumbria was still high with Government. The Flood Risk Manager advised that he had 5 meetings scheduled with the MP's over the next couple of months. The DEFRA Minister was also visiting the county next week.

Board members asked about the impact of tree planting around watercourses and whether there was any evidence to say that this was beneficial. The Flood Risk Manager had received both evidence and advice from colleagues in the Forestry Commission that the planting of trees would have a positive impact, however, this would only have a small local impact.

The Chair thanked the Environment Agency representatives for their informative presentation.

55 FUTURE BUSINESS SUPPORT MODEL

Mr R Johnston declared a pecuniary interest in this item, as the Chamber of Commerce currently held the contract for this, and would be bidding for the new contract. He left the meeting at this point.

The LEP Director presented a report to the Board which advised members of the discussions held with BEIS and other partners across the North and locally on a new model for business support to be funded by BEIS from April 2018 as part of their Industrial Strategy.

Following consultations over the last 12 months with the BEIS Growth Hub teams, both at national LEP Growth Hub meetings, on an individual BEIS to LEP basis and as part of the Northern Powerhouse Growth Hub group which was made up of BEIS, DCLG, 11 LEP's and two providers, Cumbria LEP had created a draft business support delivery model for a post March 2018 support programme.

This draft model had also been discussed at the September 2017 and January 2018 Cumbria LEP Business Support Group with agreement from the group that the delivery should be face to face one to one delivery with the ability to refer to both local and national support which could be publicly funded or private sector support. The LEP Business Support group also expressed the view that supporting NON ERDF sectors was a priority currently and most appropriate use of the BEIS funding whilst the ERDF funding was still available.

It was not yet known what funding levels each LEP would receive, it was anticipated that BEIS would announce this shortly after the autumn budget but to date no LEP's had received notification of the new funding levels.

A meeting between the LEP and BEIS was due to take place on 24 January 2018 where it was envisaged that the funding and associated outputs would be confirmed.

Through the collaborative working with the Northern Powerhouse Growth Hub group, we had secured data to show that 8 out of the 11 LEP's delivered their business support in house through a variety of names such as Boost Business, Tees Business Compass and Humber LEP or using the area name e.g. North East Growth Hub. Cumbria LEP and Cheshire and Warrington LEP had contracted out the historical BEIS/LEP business support. Greater Manchester Combined authority also placed their historical funding with Manchester Growth Company.

The 8 LEP areas who delivered in house support, generally worked in partnership with either county councils or the combined authorities. In most cases the in house delivery models have also/will continue to deliver the ERDF business support services. In general the LEP's had provided the "hub/ initial contact" which would then be followed by an initial diagnostic before being triaged/referred to an appropriate support organisation. Where the in house delivery had been both ERDF and non ERDF, the triage would work in the same way – referral to appropriate next step.

The present BEIS - LEP funded business support delivery had been undertaken by the Chamber of Commerce on a 3 year contract, this contract has an end date of 31 March 2018.

The existing ERDF funded Growth Hub business support and start up provision would continue under separate contracts between DCLG and Cumbria Chamber of Commerce. These contracts had end dates of March 2019 and December 2018 respectively.

Discussions between DCLG and the Northern Powerhouse Growth Hub group suggested that there would be a new call for business support activity in March 2018. This could result in either extensions to existing arrangements or new contracts depending on the individual local circumstances. The new call aimed to

ensure no or a minimal gap in provision and would allow delivery through until 31 December 2020 when the current European Programme ended.

Board members asked if it would be possible for them to have sight of the information from BEIS and also the minutes of the Business Support Group meetings. This was **AGREED**.

The Board felt that the production of comparative performance information would be advantageous. This was **AGREED**.

Board members also felt performance data from the current provider would help them make a more informed choice.

The Board had concerns that given the timescales involved in this there would not be sufficient time to run a proper procurement process.

Stewart Young proposed a change to the second recommendation by deleting all words after productivity in that recommendation. This was **AGREED**.

RESOLVED that,

- (1) the Board acknowledge the achievements through the current provision. Further the Board recognises the end of the current round of funding;
- (2) The Board support the work of the LEP team to work with the BEIS Growth Hubs team and local partners to ensure that Cumbria is part of a network which drives forward an appropriate delivery channel which has the greatest impact on business growth and productivity.
- (3) Following further discussions with Partners a detailed proposal is brought to the Board for approval.

The meeting adjourned at 12.20pm and reconvened at 12.35pm.

56 **RECRUITMENT OF LEP CHAIR**

Mr R Johnston returned to the meeting.

The LEP Director presented a report which detailed to the Board the arrangements for the Recruitment of a new Chair for the LEP and confirm that the current Chair would continue until the successor was appointed.

The current Chair had not resigned but had given notice that he wished to stand down so that the Board could commence the process to secure a new Chair.

To provide continuity during this transition the current Chair had indicated that he was prepared to remain in office until a new Chair was appointed. The Board were invited to welcome and confirm that they were content with this arrangement to secure a smooth transition. The Board had dealt with this issue at the start of the meeting (Minute No 48 refers).

The Board were asked to formally approve the process for recruitment and confirm who would represent the Board in the selection process. The final approval of the new Chair would be a decision for the full Board.

Discussions had taken place with the Chair of the Private Sector Advisory Panel to start to produce an Information Pack for Candidates, based on some examples of packs produced by other LEP's that had recently recruited to the position of LEP Chair. The Draft Information Pack had been circulated to the Board prior to the meeting.

The Board wondered if the position would be more attractive if remuneration was offered for this post. The Chair said that there were only 4 or 5 LEPs in the country that offered this to the Chair.

Board members wondered whether it would be possible for an informal session to be held with the candidates. This was **AGREED**.

One of the public sector members proposed Julie Mennell as the public sector representative on the selection panel. This was **AGREED**.

RESOLVED that,

- (1) That the Board agree to commence a Recruitment Process for a new Chair;
- (2) That the Board approve the process for Recruitment set out in this report;
- (3) That the Board approve the information Pack for Candidates that had been circulated to the Board prior to the Board meeting;
- (4) The Selection Panel be comprised of Jackie Arnold (Chair), Rob Johnston (Public Sector Advisory Board), Jim Jackson, and Julie Mennell;
- (5) An informal session with all Board members be organised with the candidates if possible.

57 RECRUITMENT OF MANAGING DIRECTOR

The Board considered a report from the LEP Director which gave members an opportunity to consider the recruitment and selection process for the Managing Director post and the timing of final selection Interviews.

As advised prior to Christmas the County Council had agreed to host a permanent post on behalf of the LEP to be able to offer an appropriate employed role to provide longer term capacity and sustainability to the LEP.

The advertisement was now out and the job advertisement and the Person Specification was shared with the Board prior to open advertisement. One of the Board members had commented on the lack of LEP branding on the specification, and the LEP Director confirmed this had now been amended.

A number of Private Sector Board members had however raised two issues:-

- The need for an additional Private Sector Board member representative on the Interview Panel, which as currently proposed has 2 Public Sector and only one Private Sector i.e. The Vice Chair (Private Sector) who would Chair the Interview Panel
- The desirability of delaying final selection to enable a new LEP Chair to have an input to the final selection as it was quite rightly perceived that the relationship between the Chair and the Managing Director would be pivotal to the successful operation and leadership of the LEP.

Board members suggested that the title of this post be changed to Chief Executive. This was **AGREED**.

Some of the Board members were concerned that this had appeared on the County Council's website, which gave the public the perception that it was a Cumbria County Council post.

The LEP Director said the recruitment process had been run by PENNA, a specialist recruitment agency. The job had been advertised in the Municipal Journal and on both the LEP and Cumbria County Council's websites. He reminded the Board that Cumbria County Council would be hosting this post.

The Leader of Cumbria County Council also reminded the Board that if the funding is stopped from the Government for this post then the County Council would become responsible for this post and all the on costs associated with this.

It was **AGREED** that the public sector representative on the selection panel would be Alan Smith, as he was the current Chair of the Cumbria Leadership Board, and that the additional private sector representative would be Jim Jackson.

RESOLVED that,

- (1) the Board welcome the offer by the County Council to host the LEP Chief Executive post.
- (2) That the Board appoint Jim Jackson as an additional Private Sector Board representative to join the Interview Panel;
- (3) That the Interview Panel consider amending the timetable for final selection of a preferred candidate for the role of Chief Executive to enable the new Chair to have input to the final selection, if this was practicable.

58 **GROWTH DEAL PERFORMANCE REPORT**

The Board considered a report from the LEP Director which updated them on the new Government reporting requirements for the Growth Deal.

For the last two years of Growth Deals, data had been reported to Government through the LOGASnet system. The Department of Communities and Local Government retired LOGASnet in the Autumn of 2017 and therefore a new solution had been introduced for the reporting on Growth Deals.

The excel based system was designed to be more user-friendly than the previous system, and should make accessing the data being reported much easier.

As part of the process for completing the quarterly returns to Government there was the requirement for the Dashboard to be presented to the Board. Going forward this would form part of the Investment Panel programme reporting.

The Dashboard summarised the information that had previously been provided in the Investment Panel Programme report including spend to date, output achievement and rag ratings for the schemes within the Growth Deal.

RESOLVED that the new Government reporting requirements for the Growth Deal be noted.

59 DRAFT LEP BUDGET 2018/19

The Board Members received a report from the LEP Director which provided details of the proposed budget for 2018/19 for the LEP core and strategic budgets.

The Director asked Board members to note that the LEP had yet to receive confirmation for the core and strategic funding for 2018/19 from Government. This had been requested from BEIS, alongside the funding conditions that would be attached to the grant. The draft budget had been set on the assumption that the LEP would receive the same funding as in previous years and it would be paid as a S31 grant payment to the County Council who acted as the Accountable Body.

The LEP Director said the final draft budget would be presented to the LEP Board in February for agreement.

RESOLVED that,

- (1) The report be received and noted;
- (2) The Board note that the final draft budget 2018/19 would come back to the Board for agreement in February 2018.

60 LEP BUDGET 2017/18

The LEP Director presented a report which provided the Board with an update on the 2017/18 budget position on the LEP's core and strategic funding spend for 2017/18 as at 31 December 2017.

The outturn position for the LEP core funding as at the 31 December was an underspend of £0.980m, and a potential underspend of £0.048m for the strategic funding.

RESOLVED that the report be received and noted.

61 ANY OTHER BUSINESS

There were no items of any other business on this occasion.

62 DATE & TIME OF NEXT MEETING

The next scheduled meeting of the Cumbria LEP was scheduled to take place on Friday 16 March 2018 at 9.30 am.

It was **AGREED** that an additional Board Meeting would be held towards the end of February (**Action: JC**).

The meeting ended at 1.25 pm